The Value of Sheltered Housing

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The value derived from sheltered housing and extra care housing can be found in benefits to the individual, to the community and to the taxpayer, mostly as a preventative service. While schemes vary greatly in size, scale and facilities, there are some common areas where we can see that schemes deliver value (to a larger extent in some schemes such as extra care):

- provide peace of mind, safety and security for vulnerable older people
- support and maintain independence
- better individual physical and mental health
- maintain and develop links with the community
- maximise incomes of older people and reduce fuel poverty
- facilitate downsizing to more suitable housing (freeing up larger homes)
- delay and reduce the need for primary care and social care interventions including admission to long term care settings
- prevent hospital admissions
- enable timely discharge from hospital and prevent re-admissions to hospital
- enable rapid recovery from periods of ill-health or planned admissions.
- Iower care costs.

Sheltered and extra care housing is purpose-built and specially designed – it can deliver the following benefits because of this:

- overall schemes, individual flats and facilities are accessible for people with mobility problems and easily adaptable to meet changing needs
- accommodation is economic to heat and is of an appropriate and manageable size.

This good design provides a building that is the foundation on which care and support services can be (cost) effectively delivered to meet individuals' needs as they age.

Sheltered housing and extra care housing

An estimated 71% of supported housing properties in Great Britain house older people – most of these are owned and managed by housing associations. Recent research carried out for the Department of Communities and Local Government (DCLG) and the Department for Work and Pensions (DWP), the Supported Housing Review¹ estimated that there were 462,565 sheltered or extra care homes for older people for rent.

The Institute of Public Care at Oxford Brookes University² state that these units of affordable sheltered housing probably constitute the highest value asset owned for older people in the sphere of public provision; an asset worth over £19b (assuming each unit is worth on average £40,000). Investment in this provision continues, though at a rate of 8,000-10,000 units per year compared to 30,000 per year in the 1980s³.

HM Government, (2016i). Supported accommodation review: The scale, scope and cost of the supported housing sector. Department for Work and Pensions, and Department for Communities and Local Government.

www.gov.uk/government/uploads/system/uploads/attachment_data/file/569268/rr927-supported-accommodation-review.pdf 2. Institute of Public Care, (2012). Making Best Use of Our Sheltered Housing Asset. Housing & Learning Improvement Network

www.ipc.brookes.ac.uk/publications/Making_Best_Use_of_our_Sheltered_Housing_Asset.pdf

^{3.} Wood, C., (2014). The Affordability of Retirement Housing. Report for an inquiry by the All Party Parliamentary Group on Housing and Care for Older People. London: Demos. www.demos.co.uk/files/Demos_APPG_REPORT.pdf?1415895320

Capital funding from the Department of Health⁴ for extra care housing began in 2004 and continues as the Care & Support Specialised Housing Fund 2015-18.

The Foresight Future of Ageing report⁵ identified that the ageing population will change demand for housing and that "it is likely that more adaptable and specialised housing will be needed". The Local Government Association Housing Commission final report⁶ (2016) identifies a "distinct and urgent need" to better provide a range of housing types that meet the needs of older people. Further, it states that the suitability of the housing stock is of critical importance to the health of individuals and also impacts on public spending, particularly social care and the NHS. It highlights the importance of the links and need for strategic local joint working and commissioning between housing, social care and health.

The common feature of all specialist housing is its designation for older people with the intention of maintaining their independence in their own home as long as possible. Sheltered housing and extra care housing are part of a continuum of housing types that are designated or specially designed to meet the needs of older people and may sometimes be called retirement housing. This continuum can encompass bungalow estates, Almshouses, Abbeyfield homes and retirement villages, with or without communal facilities and access to care and support services. This variety of types provides choice for older people, as no single typology will suit all older people.

Service models can vary and may include scheme managers, either residential or nonresidential, community based support with support coming into the scheme. Alternatively services may operate in a hub and spoke configuration, with services based in larger schemes and reaching out into the community to provide services to people in other specialist schemes or mainstream housing.

Types of housing for older people

It is the physical design and communal facilities of most sheltered and extra care housing that makes it more expensive to build and to run than general needs housing and means that rents tend to be higher than Local Housing Allowance (LHA) levels. These higher costs have been acknowledged for some time, for example the Homes and Communities Agency allows an additional 10% above target rents under its rent regulation policies (since 2001, with some specialist stock receiving additional flexibility since 2003).

The additional costs are directly related to the design features of the physical building, its fittings, and the communal facilities, including lifts, fire detection equipment, assisted bathrooms, hoists, window cleaning, communal gardens, laundry facilities, offices for staff, community alarm (if part of the building) etc. The recent government research into supported housing states that "the rent and cost of heating, lighting, cleaning, furnishing and maintaining these communal spaces and facilities needs to be met within the rent and service charge in order to make these models viable and sustainable"⁷.

3

^{4.} Housing LIN, (2016i). Department of Health Capital Funding Programme. London: Housing LIN.

<sup>www.housinglin.org.uk/Topics/browse/HousingExtraCare/FundingExtraCareHousing/DHCapitalFundingProgramme/
5. Government Office for Science, (2016). Future of an Ageing Population: Foresight report looking at the challenges and opportunities of an ageing society. London: Government Office for Science.</sup>

www.gov.uk/government/uploads/system/uploads/attachment_data/file/535187/gs-16-10-future-of-an-ageing-population.pdf

Local Government Association, (2016). Building our Homes, Communities and Future: the LGA Housing Commission Final Report. London: LGA. www.local.gov.uk/housing/-/journal_content/56/10180/7570944/ARTICLE

^{7.} HM Government, (2016i). ibid

Why housing is important as we age

Home becomes increasingly important to older people as they retire, spending more time at home, particularly if they become ill or frail. Warm, safe, accessible housing in decent neighbourhoods enables older people to live safely and independently for longer, and contributes to their health and wellbeing, rather than compromise it. However, the Building Research Establishment⁸ found in 2012 that more than one fifth of all older household groups lived in a home that failed to meet the Decent Homes Standard. The LGA⁹ concluded in 2010 that "much of our current housing stock – whether private or social, general needs or specialist - does not meet the needs of an ageing population".

Older people are more likely to be fuel poor, as they are likely to spend more time in their homes than other people and therefore need to heat their homes for longer periods. The multi-signature 'Memorandum of Understanding to support joint action on health through the home'¹⁰ (MOU) suggests that the key features of the right home environment are:

- It is warm and affordable to heat
- It is free from hazards, safe from harm and promotes a sense of security
- It enables movement around the home and is accessible, including to visitors
- There is support from others, if needed.

The Chartered Institute of Environmental Health¹¹ highlight that housing and the home is a gateway to health:

- physical health and well-being
- mental health and well-being
- access to services and opportunities
- social connections and inclusion.

The MOU echoes this stating that the "right home environment is essential to health and wellbeing"12, and further that the health of older people, disabled people and people with longterm illnesses is at risk from poor housing conditions.

The top issues raised by users of the Elderly Accommodation Counsel's (EAC) Housing Options for Older People (HOOP) appraisal tool of their current housing circumstances include: 'too much responsibility for home', 'garden maintenance', 'home maintenance', 'no help at hand (if fell ill)', 'property too large', and 'stairs'. The EAC website is used by 3.9 million people a year, of which 1 million are looking for social rented housing. The EAC Advice Line serves 18,000 people a year, approximately 60% of whom want to know more about sheltered/ specialist housing generally. Sheltered (and extra care) housing is clearly being sought to address inadequate and inappropriate housing.

www.gov.uk/government/publications/joint-action-on-improving-health-through-the-home-memorandum-of-understanding

11. CIEH, (2015). Housing and health resource. London: Chartered Institute of Environmental Health. www.cieh-housing-and-health-resource.co.uk 12. HM Government, (2014). Ibid

^{8.} Garrett, H., Burris, S. & B.R.E., (2015). Homes and ageing in England. Watford: Building Research Establishment. www.bre.co.uk/filelibrary/Briefing papers/86749-BRE_briefing-paper-PHE-England-A4-v3.pdf

Local Government Group, (2010). Good homes in which to grow old? London: Local Government Group. www.local.gov.uk/c/document_library/get_file?uuid=bdb9b8f7-a860-4cde-adf0-aec08ad896c6&groupId=10180

^{10.} HM Government, (2014). A Memorandum of Understanding (MoU) to support joint action on improving health through the home. London: Public Health England and Department of Health.

Demand for housing for older people

There are 9.2 million or 16% of the England Wales population over the age of 65 (2011 Census)¹³. This marks a one million increase since the 2001 census; 31% of over 65s live alone. As the population continues to age, the proportion of households where the oldest person is over 85 is set to increase by 161% so that by 2037 there will be over 1.42 million such households in England¹⁴. This research by the Office for National Statistics also found that specialised housing is more likely to be in-demand as the population ages, citing a suggested 70% increase by 2033. Analysis by Housing Learning and Improvement Network (LIN) and EAC¹⁵ suggests a shortfall of 240,000 units of purpose-built housing for older people by 2030.

Demand for sheltered housing and extra care housing is borne out across both the social rented sector and the private sector - specialist housing association Anchor Housing Trust has a waiting list of 17,478 for affordable rented retirement housing and has 99% occupancy. Research by Knight Frank¹⁶ has identified 25% of over-55s would consider moving into purpose-built retirement housing; private purchasers clearly recognising the value of preventative housing.

It is acknowledged that there may be issues regarding the design and location of some stock, where the physical condition or configuration (e.g. bedsits) may no longer meet the current needs and expectation of older people. This stock presents a number of challenges to landlords in terms of how to update, replace or decommission this stock, with further concern for the wellbeing of current residents or availability of capital funding and future revenue funding. However, this should not take away from the fact that "the majority of sheltered housing schemes represent an attractive option for those seeking to maintain their independence as they grow older"¹⁷.

www.housing.org.uk/resource-library/browse/more-than-just-a-few-kind-words-reshaping-support-in-sheltered-housing/

^{13.} Office for National Statistics, (2013). What does the 2011 Census tell us about older people.

www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/ageing/articles/whatdoesthe2011censustellusaboutolderpeople/2013-09-06 14. ONS, (2015) Insights into Loneliness, older people and wellbeing.

www.ons.gov.uk/peoplepopulationandcommunity/wellbeing/articles/measuringnationalwellbeing/2015-10-01

Housing LIN / EAC, (2013). Strategic Housing for Older People Analysis Tool. London: Housing LIN. www.housinglin.org.uk/Topics/browse/HousingExtraCare/ExtraCareStrategy/SHOP/SHOPAT/?

^{16.} Knight Frank, (2016i). Ibid

^{17.} Swan, A., (2010). "More than just a few king words", Reshaping support in sheltered housing: a good practice guide for housing providers and local authorities. London: National Housing Federation.

Sheltered housing and extra care housing residents

Approximately 5% of older people live in sheltered housing. Analysis of 56,000 lettings over the last 3 years to over 65s in supported housing (including sheltered housing) from CORE data¹⁸ (COntinuous Recording of Lettings and Sales in Social Housing in England) identifies the highest responses in terms of reasons for leaving last settled home as 'moving to accommodation with support' (30%) and 'property unsuitable because of ill health/disability/ property in poor condition' (26%). This recent data echoes that of research by Pannell and Blood¹⁹ who specifically looked at affordable rented retirement housing and found that around 60% reported a 'disability-related requirement' and 15-18% moved for reasons connected to homelessness.

Pannell and Blood also found that existing residents reported a wide range of impairments/ill health:

- mobility (43%)
- physical health 40%
- sensory impairment (12% visual, 15% hearing)
- chronic disability/illness 13%
- mental health 9%.

Over a guarter of existing residents were aged 85 or more. Sheltered and extra care housing is there to meet very real needs. Across Anchor Housing Association's sheltered housing stock, half of residents (13,000 people) have formal support plans in place, giving an indication of the level of need present. Across its portfolio Anchor reported 461 safeguarding alerts in the last year and recorded 99 serious untoward incidents. It is estimated²⁰ that 79% of older people in rented supported housing are in receipt of housing benefit.

Defining value

The value derived from sheltered housing and extra care housing can be found in benefits to the individual, to the community and to the taxpayer. The scale and value of these benefits will be determined by the design of the housing, its scale and the extent and range of facilities and care and support services provided. The findings of research assessing the value of housing for older people of a specific model or tenure may provide some key principles and benefits that can be read across to other scheme types, sizes and tenures, but perhaps the value may be present to a different degree.

Value may be found in real savings (e.g. possibly cheaper fuel), or immediate impact such as a warm well insulated home clearly benefiting an older person. However, many benefits may not translate into immediately cashable savings but are nonetheless of tremendous value. The Supported Housing Review²¹ acknowledges that as the wider benefits from supported housing that accrue to other agencies (NHS etc) a holistic 'whole system' approach to determining value for money is challenging.

18. HM Government, (2016). COntinuous Recording of Lettings and Sales in Social Housing in England. https://core.communities.gov.uk

19. Pannell, J., and Blood, I., (2012). Supported housing for older people in the UK: an evidence review. York: Joseph Rowntree Foundation.

20. HM Government, (2016i). Ibid

21. HM Government, (2016i). Ibid

www.jrf.org.uk/sites/default/files/jrf/migrated/files/sheltered-retirement-housing-full.pdf

Outcomes for individuals

Sheltered and extra care housing, provide safe secure housing designed to provide a home for life and enable the delivery of flexible support and care services to maintain independence and gains to both physical and mental health and addressing social isolation. Comments from residents include 'the ability to be independent and at the same time to have easy access to support'. 'help at hand, feeling of belonging to a community', feeling of security' and 'peace of mind'22.

Both sheltered housing and extra care housing are designed to maximise and maintain independence, with residents having their own front door and the security of a tenancy. Self-contained accommodation promotes self-determination, independence, and allows people to maintain social relationships.

The 2011 Census figures²³ show that 59% of those aged 85 and over and 38% of those aged 75 to 84 live alone. Loneliness and depression are recognised as important negative influences on health in old age, contributing to greater risk of falls, and those who have had a fall are at greater risk of domestic fires²⁴.

Demos²⁵ found that those living in age specific housing tend to report feeling much less lonely than their peers. Other research by Beach²⁶, found that the average person in a retirement village experienced half the amount of loneliness of those in wider community. They also identified that the design 'can be thought of as providing the tools and space for residents to develop social relationships'.

The design of sheltered housing and extra care schemes facilitates an increased peace of mind for residents: a more manageable home; maintenance, repairs, gardening and window cleaning taken care of; a community alarm call system available 24/7 (telecare), giving out of hours connection. The design of individual flats and the scheme overall is to promote better health and (changing) mobility in terms of accessibility - walk in showers, grab rails, wider door ways. Residents are often able to safely keep equipment such as mobility scooters walking aids in communal areas, which wouldn't be possible in mainstream housing.

The alarm call system can be used in emergencies but also acts as a first point of call, with the potential to reduce 999 calls, providing a lower level of assistance and reassurance. Such services reduce worry and anxiety, minimise risks and promote independent living (as risk can be reduced to acceptable levels). More advanced telecare can link to smoke detectors, and monitor health and well-being²⁷.

Anchor housing report that between 1 and 15 November 2016, its Anchorcall centre (which receives all pulled cord/pendant alerts out of hours) received 202,127 calls, during which time Anchor made 6,000 calls to emergency services, effectively acting as a triage service. Additionally 11,851 fire alarm/smoke detector calls were received which were false, saving emergency service call outs.

23. Office for National Statistics, (2013). What does the 2011 Census tell us about older people.

^{22.} Croucher, K., Sanderson, D., Chaplin, S., Wright, D., Lowson, K., (2008). Review of Sheltered Housing in Scotland. [Online] Available at: www.gov.scot/Publications/2008/01/11131906/0

www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/ageing/articles/whatdoesthe2011censustellusaboutolderpeople/2013-09-06 24. Campaign to End Loneliness (2016). The missing million: a practical guide to Identifying and talking about Ioneliness.

www.campaigntoendloneliness.org/wp-content/uploads/CEL-Missing-Millions-Guide_final.pdf 25. Wood, C., & Salter, J., (2016). Building companionship: how better design can combat loneliness in later life. London: Demos.

www.demos.co.uk/wp-content/uploads/2016/04/Building-Companionship-Report.pdf

^{26.} Beach, B., (2015). Village Life: Independence, Loneliness, and Quality of Life in Retirement Villages with Extra Care. London: ILC.

www.ilcuk.org.uk/index.php/publications/publication_details/village_life_independence_loneliness_and_quality_of_life_in_retirement_vill 27. Pleace, N., (2011). The Costs and Benefits of Preventative Support Services for Older People. York: Centre for Housing Policy.

www.careandrepairscotland.co.uk/docs/The_Costs_and_Benefits_of_Housing_Support_Services_for_OlderPeople_in_Scotland_draft_21.pdf

There is much research backed by Clifford et al²⁸ to suggest that telecare "can achieve significant financial savings in the provision of social care to older people". If older people are self-payers for social care, delays in needing care translate into saving for them personally.

Communal facilities are seen as important in facilitating residents social wellbeing and helping friendships to develop²⁹. Both formal activities and informal interaction contribute to mental stimulation and helps lower rates of cognitive and physical decline. Stronger social networks can also help as an 'early warning system' encouraging people to seek medical help earlier, rather than at crisis point, and therefore reducing hospital admissions.

Dutch researchers³⁰ found that "compared with independent living in the community, sheltered accommodations provide added value. Sheltered housing should therefore be an integral part of long-term care policy". Those living in sheltered housing were found to have higher perceived autonomy, sense of security and quality of life.

"I feel part of a friendly community, I am respected and listened to. I have the opportunity to do activities with friends, I feel secure and know that I am not alone."

Source: Elderly Accommodation Counsel consultation with residents

Benefits to the community

Many sheltered housing and extra care schemes hold strong links with their local community providing a locus for events and activities that benefit residents and the wider community. Remaining active in the context of a community, in a neighbourhood we know, is crucial to our way of life and helps combat loneliness and improves well-being³¹.

Subject to the availability of communal areas, outside agencies may hold advice or information surgeries e.g. GPs, Age UK, U3A, Alzheimer's Society that promote lifelong learning, healthy living, active ageing, intergenerational links and encourage inclusion. This community engagement is greatly valued by residents³², but the engagement is not one way. Many residents volunteer in the community, with time banks, fundraising and befriending - schemes often are the catalyst to such engagement.

^{28.} Clifford, P., Padda, K., Brown, O., Saunders, R., & Demarche, C., (2012). Investing to Save: Assessing the Cost-Effectiveness of Telecare. Nottingham: FACE Recording & Measurement Systems. www.tunstall.co.uk/Uploads/Documents/FACE_summary_report.pdf

^{29.} Callaghan, L., Netten, A., and Darton, R., (2009). The Development of Social Wellbeing in New Extra Care Housing Schemes.

York: Joseph Rowntree Foundation. www.jrf.org.uk/report/development-social-well-being-new-extra-care-housing-schemes 30. van Bilsen, P., Hamers, J., Groot, W., and Spreeuwenberg, C., (2008). Sheltered housing compared to independent housing in the community. Scandinavian Journal of Caring Sciences Vol 22, Issue 2, pp265-274, June 2008. www.academia.edu/18329853/Sheltered_housing_compared_to_independent_housing_in_the_community

^{31.} Institute of Public Care, (2012i). Ibid

^{32.} Callaghan, L., Netten, A., and Darton, R., (2009). Ibid

As people age, they tend to travel less for things they need and therefore contribute to the local economy by using local services and facilities more. Extra care housing schemes and larger villages may have a greater range of facilities and opportunities to bring in the community, such as libraries, shops, gyms, and even providing a resource for a village such as a sub post-office (e.g. Sycamore Hall, Bainbridge, North Yorks, Housing and Care 21).



Source: Elderly Accommodation Counsel, 2016

Sheltered housing and extra care housing are very much part of an interconnected housing market in both social rented and sale products. Specialist housing both meets the needs of older people, but also loosens up the housing market, at a time of increasing demand for all housing and for specialist housing, but at the same time as an historic fall in home-building rates.

Older people right-sizing from larger family homes to a home that better suits their needs can release these 3 and 4 bedroom homes into choice-based letting, or sales markets. We can see this at LB Greenwich³³ who developed a waiting list and prioritise lettings in specialist housing for older people to local authority and housing association tenants who want to downsize from a family home. Dacorum BC³⁴ found 63% of over 50's in a needs survey were under-occupying by one or more spare bedrooms, and that 73% of those over 60 on the housing register would consider moving to sheltered housing.

Some 8 million people over 60 in 7 million homes are interested in 'downsizing'. If half did so, 3.5 million homes (2/3 of which are family homes with three or more bedrooms) would become available³⁵.

33. Ackrill, J, (2013). Older People's Housing in Royal Greenwich. Powerpoint presentation. London: Housing LIN.

www.housinglin.org.uk/Events/ArchivedEvents/ArchivedHousingEventDetail/?eventID=790

34. Dacorum Borough Council, (2014). Older Person's Housing Strategy 2014-20. Hemel Hempstead: Dacorum Borough Council.

www.dacorum.gov.uk/docs/default-source/housing/dbc-older-persons'-housing-strategy-2014-20-final.pdf?sfvrsn=0

35. Wood, C., (2013). The Top of the Ladder. London: Demos. www.demos.co.uk/project/the-top-of-the-ladder/

Economic benefits to individuals

A key feature of affordable rented housing for older people is that it is affordable - rents are on average £127 per week (£88 rent + £39 service charge)³⁶. Residents moving to sheltered housing can benefit from lower utility bills, perhaps from downsizing to a smaller and therefore more economic property to heat. Additionally the property may well have much higher standards of thermal efficiency, e.g. all of Hanover Housing Association's stock is EPC rated C or above, this compares to 82% of owner occupied homes which are EPC D or lower, or 77% of Private Rented Stock which are EPC D or lower³⁷. Additionally, residents can take advantage of their landlord's buying power to access cheaper bills (Anchor is an award winning utility buyer).

Staff are also able to signpost, advise and support residents of sheltered and extra care housing with regards their income, helping them maximise their benefit income; those over 70 very often need encouragement and support to claim what is rightfully theirs.

For older people moving from the private rented sector to a rented sheltered housing property, Hanover (with PWC) found that the saving would be between £5,500 and £5,800 per year. This before all the non-financial benefits of quality accommodation, availability of a support service availability etc. are considered.

Cost benefits to the tax payer

The provision of specialist housing for older people is relatively affordable in terms of housing costs, but this not only benefits residents, it also limits the demand on Housing Benefit. Not all residents in a scheme will be in receipt of housing benefit and this creates additional checks and balances due to self-paying residents monitoring and keeping a downward pressure on rents and service charges, helping ensure they only cover the full costs. Compared to other groups, the average Housing Benefit spend per annum is around £5,200 per older person unit compared to £9,000 per working-age unit³⁸.

Clear financial benefits are delivered by sheltered housing to local authorities across health and social care, not least in increasing independence and reducing or delaying the need for older people to enter residential care. Sheltered housing and extra care in particular also provide a cost-effective alternative housing provision to residential care. Local authorities are able to reduce their provision of (relatively expensive) residential care homes, if alternatives such as extra care housing are developed.

As part of local commissioned support service assessments, the quality of accommodation and physical surroundings are considered, and HB assess value for money in terms of rent and service charges and look at a breakdown of scheme costs³⁹.

39. HM Government, (2016i). Ibid

^{36.} HM Government, (2016i). Ibid 37. National Housing Federation, (2016). Taking stock: Understanding the quality and energy efficiency of housing association homes. London: National Housing Federation. www.housing.org.uk/resource-library/browse/taking-stock-understanding-the-quality-and-energy-efficiency-of-housing-ass/ 38. HM Government, (2016i). Ibid

The national financial benefits of capital investment in specialist housing for vulnerable and older people have been examined by Frontier Economics⁴⁰ in 2010. They compared the net capital cost of developing specialist housing over general housing, with the calculated net benefit of a person living in specialized housing converted to the net present value of these benefits over the 40 lifetime of the building. They found an average net benefit of £444 per person per year, this was primarily driven by reducing reliance on health and social care services. The total net benefit for older people is greater than for any other client group due to the high numbers of older people.

Cap Gemini carried out an evaluation⁴¹ of the Supporting People programme in 2009, which found that for older people in sheltered housing, an investment of £198.2m created a net financial benefit of £646.9m. And for older people in very-sheltered housing, an investment of £32.4m netted a benefit of £123.4m.

There are several assessments of the cost benefits of sheltered housing and extra care that have identified a range of savings. Research by the Strategic Societv⁴² found that a new specialist retirement housing unit may result in the savings to the state, per person, as set out below. In addition to savings to health and social care, also identified is the impact of new retirement housing to release housing stock onto the market and enabling younger people to get on the housing ladder and to fund their housing and care costs in retirement.

Health and care needs	£ 9,700
Local authority social care entitlement	£18,600
First time buyers & future retirement wealth	£54,800
Total	£83,100

Amicus Horizon calculate that around 10% of their 1,200 sheltered residents would require residential care if sheltered housing wasn't available. The cost to the taxpayer of residential care for this 120 people would be £2m (compared to the £1.4m cost of the sheltered housing service for 1,200 people).

Those in extra care housing are less likely to enter institutional accommodation compared to those living in the community in receipt of domiciliary care.⁴³ Unplanned hospital admissions reduce from 8-14 days to 1-2 days.⁴⁴ Over a 12 month period total NHS costs (including GP visits, practice and district nurse visits and hospital appointments and admissions) reduce by 38% for extra care residents.⁴⁵ Routine GP appointments for extra care residents fell by 46% after a year. Falls rates in extra care housing measured at 31% compared to 49% in general housing⁴⁶.

^{40.} Frontier Economics, (2010). Financial benefits of investment in specialist housing for vulnerable and older people: A Report For The Homes & Communities Agency. London: Frontier Economics. www.frontier-economics.com/documents/2014/06/financial-benefits-of-investment-frontier-report.pdf 41. DCLG, (2009). Research into the financial benefits of the Supporting People programme, 2009. London: Department for Communities and Local

Government. www.gov.uk/government/publications/research-into-the-financial-benefits-of-the-supporting-people-programme-2009

^{42.} Lloyd, J., (2016). Valuing Retirement Housing: Exploring the economic effects of specialist housing for older people. London: The Strategic Society Centre. www.strategicsociety.org.uk/valuing-retirement-housing/ - .WDXP1XecbDY

^{43.} Kneale, D., (2011). Establishing the Extra in Extra Care. London: International Longevity Centre.

www.ilcuk.org.uk/index.php/publications/publication_details/establishing_the_extra_in_extra_care_perspectives_from_three_extra_care_hou 44. Holland, C, (2015). Collaborative Research between Aston Research Centre for Healthy Ageing (ARCHA) and the Extra Charitable Trust.

Birmingham: Aston University. www.aston.ac.uk/lhs/research/centres-facilities/archa/extracare-project/

^{45.} Holland, C, (2015). Ibid

^{46.} Kneale, D., (2011). Ibid

Research⁴⁷ into private sheltered housing concluded that residents receiving inpatient care remained in hospital for under half the average amongst general population of people aged 75+. The costs of not creating these savings are substantial – see below.

Average cost of a fall requiring A&E attendance	£2,000
Fall at home leading to hip fracture costs the state (av)	£28,665
Postponing entry to residential care by one year saves	£28,020
Average annual cost of weekly 10 hour care package	£18,408
Average cost of delayed discharge from hospital	£1,065
Average cost of non-elective hospital admission	£1,674

Source: Buck et al, 201648

People in extra care housing use less care hours than if in the community, for example if meals are provided by the scheme, less care hours may be required in preparing food etc. Additional efficiencies can be gained by delivering care to a number of people on one site reducing travel and mileage costs, associated with domiciliary care in the community, and giving increased flexibility in the delivery of that care.

Sheltered and extra care housing are both local employers, for each new extra care housing scheme of 250 units creates approximately 65 permanent staff (ARCO data, 2016).

Conclusion

Research⁴⁹ notes the trade offs between capital and revenue funding and that one of the benefits of capital investment is the reduced ongoing revenue costs. A certain level of revenue will always be required to meet the actual core housing costs that must be met to ensure ongoing viability of schemes.

The DWP/DCLG research report into supported housing⁵⁰ states "there is scope to undertake further research to provide additional evidence of these wider benefits". However while there may be a limited amount of research with a control group (i.e. in the community), IPC⁵¹ (2012ii) note "the weight of evidence through case studies, audits and research, shows that there is an unequivocal health gain to be made through the provision of all forms of retirement housing". They go on to note that there was no evidence of standstill or deterioration – all evidence indicated a "substantial improvement in health, a diminution in the volume of care and support required and a greater sense of security and well-being".

www.ipc.brookes.ac.uk/publications/Identifying_the_health_gain_from_retirement_housing.pdf

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